

clean energy; green technologies; sustainable manufacturing; information technology infrastructure; communities severely impacted by automotive industry restructuring; natural disaster mitigation and resiliency; access to capital for small- and medium-sized and ethnically diverse enterprises; and innovations in science, health care, and alternative fuel technologies.

(d) *Enhances global competitiveness.* The Investment will support high-growth businesses and innovation-based entrepreneurs to expand and compete in global markets.

(e) *Encourages environmentally sustainable development.* The Investment will encompass best practices in “environmentally sustainable development,” broadly defined to include projects that enhance environmental quality and develop and implement green products, processes, and buildings as part of the green economy.

(f) *Supports economically distressed and underserved communities.* The Investment will strengthen diverse communities that have suffered disproportionate economic and job losses or are rebuilding to become more competitive in the global economy.

[79 FR 76126, Dec. 19, 2014]

#### § 301.9 Application selection criteria.

(a) EDA will review completed application materials for compliance with the requirements set forth in PWEDA, this chapter, the applicable FFO, and other applicable Federal statutes and regulations. From those applications that meet EDA’s technical and legal requirements, EDA will select applications based on the:

- (1) Availability of funds;
- (2) Competitiveness of the applications in accord with the criteria set forth in § 301.8; and
- (3) Funding priority considerations identified in the applicable FFO.

(b) EDA will endeavor to notify applicants as soon as practicable regarding whether their applications are selected for funding.

[79 FR 76127, Dec. 19, 2014]

#### § 301.10 Formal application requirements.

Each formal application for EDA Investment Assistance must:

(a) Include evidence of applicant eligibility (as set forth in § 301.2) and of economic distress (as set forth in § 301.3);

(b) Identify the sources of funds, both eligible Federal and non-EDA, and In-Kind Contributions that will constitute the required Matching Share for the Project (*see* the Matching Share requirements under § 301.5); and

(c) For Projects under parts 305 or 307 of this chapter, include a CEDS acceptable to EDA pursuant to part 303 of this chapter or otherwise incorporate by reference a current CEDS that EDA approves for the Project. The requirements stated in the preceding sentence shall not apply to:

(1) Strategy Grants, as defined in § 307.3 of this chapter; and

(2) A Project located in a Region designated as a Special Impact Area pursuant to part 310 of this chapter.

(d) Projects that propose the construction of a business, technology, or other type of incubator or accelerator, must include a feasibility study demonstrating the need for the Project and an operational plan based on industry best practices demonstrating the Eligible Applicant’s plan for ongoing successful operations. EDA will provide further guidance in the applicable FFO. EDA may require the Recipient to demonstrate that the feasibility study has been conducted by an impartial third party, as determined by EDA.

[75 FR 4263, Jan. 27, 2010, as amended at 79 FR 76127, Dec. 19, 2014]

#### § 301.11 Infrastructure.

(a) EDA will fund both construction and non-construction infrastructure necessary to meet a Region’s strategic economic development goals and needs, which in turn results in job creation. This includes infrastructure used to develop and upgrade basic economic development assets as described in §§ 305.1 and 305.2 of this chapter, as well as infrastructure that supports innovation and entrepreneurship. The following

are examples of innovation and entrepreneurship-related infrastructure that support job creation:

(1) *Business Incubation*. Business incubation includes both physical facilities and business support services to advance the successful development of start-up companies by providing entrepreneurs with an array of targeted resources and services.

(2) *Business Acceleration*. Business acceleration includes both physical facilities and an array of business support services to help new and existing businesses develop new processes or products, get products and services to market more efficiently, expand market opportunities, or increase sales and exports.

(3) *Venture Development Organization*. A venture development organization (“VDO”) works to ensure that Regional economies operate as smoothly and efficiently as possible in support of innovation-based entrepreneurship. A VDO may make strategic investments of time, talent, and other resources toward innovation, entrepreneurship, and technology to help nurture and grow promising companies and ideas, thereby promoting and taking advantage of the innovation assets of a Region and addressing the needs of the high-growth, innovation-oriented start-up companies in the Region.

(4) *Proof of Concept Center*. A proof of concept center serves as a hub of collaborative and entrepreneurial activity designed to accelerate the commercialization of innovations into the marketplace. Such centers support innovation-based, high growth entrepreneurship through a range of services, including technology and market evaluation, business planning and mentorship, network development, and early stage access to capital.

(5) *Technology Transfer*. Technology transfer is the process of transferring scientific findings from one organization to another for the purpose of further development and commercialization. The process typically includes: Identifying new technologies; protecting technologies through patents and copyrights; and forming development and commercialization strategies, such as marketing and licensing, for existing private sector companies

or creating start-up companies based on the technology.

(b) In general, successful Projects, including innovation and entrepreneurship-related infrastructure, require the engagement of a broad range of Regional stakeholders and resources. Therefore through appropriate FFOs and program requirements, EDA will seek to advance interagency coordination by funding Projects that demonstrate effective leveraging of other Federal Agency resources based on a Region’s strategic economic development goals and needs. For all types of Projects, EDA assistance may not be used to provide direct venture capital to a for-profit entity because of the restrictions set out in section 217 of PWEDA (42 U.S.C. 3154c) and part 309 of this chapter. Nonetheless, EDA may consider an application more competitive if it includes measures to address the need to provide entrepreneurs with access to early stage capital outside of the proposed EDA Project budget. *See* §301.8(b).

[79 FR 76127, Dec. 19, 2014]

## PART 302—GENERAL TERMS AND CONDITIONS FOR INVESTMENT ASSISTANCE

### Sec.

- 302.1 Environment.
- 302.2 Procedures in disaster areas.
- 302.3 Project servicing for loans, loan guarantees and Investment Assistance.
- 302.4 Public information.
- 302.5 Relocation assistance and land acquisition policies.
- 302.6 Additional requirements; Federal policies and procedures.
- 302.7 Amendments and changes.
- 302.8 Pre-approval Investment Assistance costs.
- 302.9 Inter-governmental review of projects.
- 302.10 Attorneys’ and consultants’ fees, employment of expeditors, and post-employment restriction.
- 302.11 Economic development information clearinghouse.
- 302.12 Project administration, operation and maintenance.
- 302.13 Maintenance of standards.
- 302.14 Records.
- 302.15 Acceptance of certifications made by Eligible Applicants.
- 302.16 Accountability.
- 302.17 Conflicts of interest.
- 302.18 Post-approval requirements.
- 302.19 Indemnification.